# WHEN RECORDED RETURN TO:

201110190019 Skagit County Auditor

10/19/2011 Page

22 9:48AM 1 of

Cynthia L. Rerucha, Esq. Shumaker, Loop & Kendrick, LLP 1000 Jackson Street Toledo, Ohio 43604

# DOCUMENT TITLE(S)

SECOND AMENDMENT TO SECOND AMENDED AND RESTATED LEASEHOLD DEED OF TRUST

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

INSTRUMENT NO. 201012210048

**GRANTOR(S):** 

STANLEY & SHORTEN, LLC

**GRANTEE(S):** 

HCRI TRS ACQUIRER, LLC

#### ABBREVIATED LEGAL DESCRIPTION:

Parcel A: North 306 Feet of the South 511 Feet of the East 237 Feet.

Parcel B: Lot 1 of Survey recorded April 8, 1999

# TAX PARCEL NUMBER(S):

P24800, P15534

# SECOND AMENDMENT TO SECOND AMENDED AND RESTATED LEASEHOLD DEED OF TRUST

THIS SECOND AMENDMENT TO SECOND AMENDED AND RESTATED LEASEHOLD DEED OF TRUST ("Amendment") is effective as of October 14, 2011 ("Effective Date") by STANLEY & SHORTEN, LLC, a limited liability company organized under the laws of the State of Washington ("Trustor"), having its chief executive office at 19119 N. Creek Parkway, Suite 102, Bothell, Washington 98011, in favor of LAWYERS TITLE COMPANY, a California corporation ("CA-Trustee"), with an address at 325 W. Hospitality Lane, Suite 100, San Bernardino, California 92408, with power of sale, and WESTERN TITLE COMPANY, INC., a Nevada corporation ("NV-Trustee"), with an address at 241 Ridge Street, Reno, Nevada 89501, with power of sale and FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation ("WA-Trustee"), having an address at 9619 Levin Road NW, Silverdale, Washington 98383, with power of sale, for the benefit of HCRI TRS ACQUIRER, LLC, a limited liability company organized under the laws of the State of Delaware ("Beneficiary"), having its principal office at 4500 Dorr Street, Toledo, Ohio 43615-4040.

# RECITALS

- A. Lender has extended to Trustor working capital loans ("Loans") in the original principal amount of [i] 1,300,000.00 ("Hemet Loan"), [ii] \$10,100,000.00 ("Sparks Loan"), and [iii] \$12,200,000.00 ("Kent Loan").
- B. The Loans are secured by, among other things, the lien of a Second Amended and Restated Leasehold Deed of Trust dated as of December 15, 2010, as amended from time to time ("Instrument") against the leasehold interest of Trustor in the real property described in the Instrument and on the attached Exhibit A. The Instrument was recorded as shown on Exhibit B. All capitalized words not otherwise defined herein shall have the meaning set forth in the Instrument.
- C. Beneficiary is now extending a new loan to Trustor in an amount up to \$1,950,000.00. Beneficiary and Trustor desire to amend the Instrument to include the new loan as part of the Secured Obligations.



10/19/2011 Page 2 of 22 9:48AM

NOW THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows.

- 1. <u>Secured Obligations</u>. Section 2.1 of the Instrument is hereby amended to read in its entirety as follows:
  - 2.1 <u>Secured Obligations</u>. This Deed of Trust secures performance of the following obligations (the "Secured Obligations") of Trustor:

#### 2.1.1 Payment of Credit Extended.

- (a) <u>Hemet Loan</u>. The payment of the indebtedness of Trustor to Beneficiary in the original principal amount of \$1,300,000.00, or so much thereof as has been advanced to Trustor, plus interest on the unpaid balance thereof, which indebtedness is evidenced by an Amended and Restated Note made by Trustor on June 13, 2008, and any extensions, modifications, substitutions or renewals of the indebtedness or the Amended and Restated Note ("Hemet Note"), which Hemet Note has a maturity date of April 1, 2021.
- (b) Sparks Loan. The payment of the indebtedness of Trustor to Beneficiary in the original principal amount of \$10,100,000.00, or so much thereof as has been advanced to Trustor, plus interest on the unpaid balance thereof, which indebtedness is evidenced by a Second Amended and Restated Note made by Trustor on November 9, 2010, and any extensions, modifications, substitutions or renewals of the indebtedness or the Second Amended and Restated Note ("Sparks Note"), which Sparks Note has a maturity date of the 14th anniversary of the Commencement Date, as defined in the Sparks Note.
- (c) Kent Loan. The payment of the indebtedness of Trustor to Beneficiary in the original principal amount of \$12,200,000.00, or so much thereof as has been advanced to Trustor, plus interest on the unpaid balance thereof, which indebtedness is evidenced by a Third Amended and Restated Note made by Trustor on August 9, 2011, and any extensions, modifications, substitutions or renewals of the indebtedness or the Third Amended and Restated Note ("Kent Note"), which Kent Note has a maturity date of the 14<sup>th</sup> anniversary of the Commencement Date, as defined in the Kent Note.

- (d) <u>Term Loan</u>. The payment of the indebtedness of Trustor to Beneficiary in the original principal amount of \$1,950,000.00, or so much thereof as has been advanced to Trustor, plus interest on the unpaid balance thereof, which indebtedness is evidenced by a Note made by Trustor on October 14, 2011, and any extensions, modifications, substitutions or renewals of the indebtedness or the Note ("Term Note"), which Term Note has a maturity date of May 1, 2023. The Hemet Note, the Sparks Note, the Kent Note, and the Term Note may be collectively called "Note".
- 2.1.2 Obligations Under Loan Documents. The performance of all obligations of Trustor under the Loan Agreement (defined in §2.3), the Note, this Deed of Trust and all other documents executed by Trustor or its affiliates in connection therewith, any extensions, modifications or renewals thereof, and any documents executed in substitution therefor (collectively, the "Loan Documents").
- 2.1.3 Advances to Protect Property. The payment of unpaid balances of all advances made by Beneficiary for the payment of taxes, assessments, insurance premiums, or costs incurred for the protection of the Property if paid by Beneficiary in accordance with the terms of the Lease.
- 2.1.4 Future Advances. The payment of any unpaid balances of loan advances which Beneficiary may make or may be obligated to make under this Deed of Trust or the Loan Agreement at any time after this Deed of Trust is delivered to the recorder for record to the extent that the total unpaid loan indebtedness, exclusive of interest thereon, does not exceed the maximum amount of \$25,550,000.00 which may be outstanding at any time and from time to time.
- 2. <u>Loan Agreement</u>. Section 2.3 of the Instrument is hereby amended to read in its entirety as follows:
  - 2.3 Loan Agreement. This Deed of Trust is subject to [i] a certain Loan Agreement ("Hemet Loan Agreement") dated March 30, 2007, as amended; [ii] a certain Loan ("Sparks Agreement") Agreement Loan dated November 16, 2007, as amended; and [iii] a certain Loan Agreement ("Kent Loan Agreement") dated November 16, 2007, as amended. Hereinafter the Hemet Loan Agreement, the Sparks Loan Agreement, and the Kent Loan Agreement may be collectively called the "Loan

Agreement". The Loan Agreement sets forth, among other things, the terms and conditions under which Beneficiary is obligated to advance up to the full amount of the Hemet Note, the Sparks Note, and the Kent Note and may make nonobligatory advances, all of which are secured by this Deed of Trust. The Loan Agreement is hereby incorporated herein and made a part hereof as though fully rewritten herein, including the defined terms. No defenses, offsets, or counterclaims available to Trustor arising out of any Loan Document will be valid or effective against any transferee of this Deed of Trust or the Note or its successors or assigns after this Deed of Trust and the Note are collaterally assigned by Beneficiary to one or more transferees who are providing financing to Beneficiary, and Trustor hereby expressly waives all such defenses, offsets, or counterclaims to that extent. A copy of the Loan Agreement is maintained at the offices of Beneficiary and may be inspected by interested persons.

- 3. <u>References in Loan Documents</u>. All references to the Instrument contained in the Loan Documents shall mean the Instrument as amended on the date hereof and all extensions, modifications, amendments, renewals, consolidations, increases and reductions made after the date hereof.
- 4. <u>Affirmation</u>. Except as specifically modified by this Amendment, the terms and provisions of the Instrument are hereby affirmed and shall remain in full force and effect.
- 5. <u>Binding Effect</u>. This Amendment shall be binding upon and inure to the benefit of the successors and permitted assigns of Beneficiary and Trustor.
- 6. <u>Further Modification</u>. The Instrument may be further modified only by a writing signed by Beneficiary and Trustor.
- 7. <u>Counterparts</u>. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original hereof.
  - 8. <u>Consent of Landlord</u>. Landlord consents to this Amendment.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

201110190019 skagit County Auditor

10/19/2011 Page

IN WITNESS WHEREOF, this A necessarily on) the Effective Date.	amendment has been duly executed as of (but not
Signed and acknowledged in the presence of  Signature Print Name Signature Print Name Territ Roen Kow	STANLEY & SHORTEN, LLC  By:  Thomas E. Stanley, Its Manager
	HCRI TRS ACQUIRER, LLC  By: HCRI TRS Acquirer II, LLC, its Sole Member
Signature_ Print Name	By: HCN Development Services Group, Inc., its Sole Member
Signature Print Name	By:  Erin C. Ibele, Senior Vice President - Administration and Corporate Secretary
Signature	HEALTH CARE REIT, INC.  By:
Print NameSignaturePrint Name	Erin C. Ibele, Senior Vice President - Administration and Corporate Secretary
	HCRI NEVADA PROPERTIES, INC.
Signature Print Name	By: Erin C. Ibele, Senior Vice President - Administration



and Corporate Secretary

Signature \_\_\_

Print Name\_\_\_\_

IN WITNESS WHEREOF, this Amendment has been duly executed as of (but not necessarily on) the Effective Date.

Signed and acknowledged	
in the presence of	STANLEY & SHORTEN, LLC
Signature	By:
Print Name	
Signature Print Name	Title:
	HCRI TRS ACQUIRER, LLC
	By: HCRI TRS Acquirer II, LLC, its Sole Member
Signature Donna J Lunsford	By: HCN Development Services Group,
Print Name Donna J. Lunsford	Inc., its Sole Member
Signature Signature	By: tun ( thek
Print NameRita 9. Rogge	Erin C. Ibele,
	Senior Vice President - Administration and Corporate Secretary
Signature Donna J Lunsford	HEALTH CARE REIT, INC.  By: Crim (Cole
Print Name  Signature  Print Name	Erin C. Ibele, Senior Vice President - Administration and Corporate Secretary
Rita J. Rogge	
Signature Sonna Lunsford Print Name Donna J. Lunsford	HCRI NEVADA PROPERTIES, INC.  By:
Signature Rule Dugg	Erin C. Ibele, Senior Vice President - Administration and Corporate Secretary
Rita J. Rogge	
	communication and control of the con

STATE OF LIBOUING (STATE OF LIBOUING)	
COUNTY OF KENT ) SS:	
	acknowledged before me this \( \) day of \( \) the \( \) company on behalf of the limited liability
company.	company, (on comme or and improve innering
	Notate Public
My Commission Expires: 3/10/12	Notary Fullic State of Washington
STATE OF OHIO ) SS:	G A EDWARDS My Appointment Expires Mar 19, 2012
COUNTY OF LUCAS )	
Corporate Secretary of HCN Development Service Acquirer II, LLC, the Sole Member of HCRI TRS company, on behalf of the limited liability company	Acquirer, LLC, a Delaware limited liability
	Notary Public
My Commission Expires:	Notary Public [SEAL]
STATE OF OHIO )	
· · · · · · · · · · · · · · · · · · ·	
STATE OF OHIO ) SS: COUNTY OF LUCAS )  The foregoing instrument was a	[SEAL]  acknowledged before me this day of Senior Vice President - Administration and
STATE OF OHIO )  SS:  COUNTY OF LUCAS )  The foregoing instrument was a 2011 by Erin C. Ibele, the Corporate Secretary of Health Care REIT, Inc.,	[SEAL]  acknowledged before me this day of Senior Vice President - Administration and
STATE OF OHIO  ) SS:  COUNTY OF LUCAS  The foregoing instrument was a 2011 by Erin C. Ibele, the Corporate Secretary of Health Care REIT, Inc., corporation.	acknowledged before me this day of Senior Vice President - Administration and a Delaware corporation, on behalf of the Notary Public
STATE OF OHIO )  SS:  COUNTY OF LUCAS )  The foregoing instrument was a 2011 by Erin C. Ibele, the Corporate Secretary of Health Care REIT, Inc.,	[SEAL]  acknowledged before me this day of Senior Vice President - Administration and a Delaware corporation, on behalf of the

STATE OF	)
	) SS:
COUNTY OF	)
	rument was acknowledged before me this day of , the
of Stanley & Shorten, LLC, a lir	, the, mited liability company, on behalf of the limited liability
company.	
	Notary Public
My Commission Expires:	[SEAL]
STATE OF OHIO )	
) SS:	
COUNTY OF LUCAS )	×//
	17/2
The foregoing inst	rument was acknowledged before me this <u>A</u> day of C. Ibele, the Senior Vice President - Administration and
<u>October</u> , 2011 by Erin	C. Ibele, the Senior Vice President - Administration and
	opment Services Group, Inc., the Sole Member of HCRI TRS
	r of HCRI TRS Acquirer, LLC, a Delaware limited liability
company, on behalf of the limited li	ability company.
	Donna J Lunsford
	Notary Public
	WINDHAM COMMENT OF THE PROPERTY OF THE PROPERT
My Commission Expires	DONNA J. LUNSFORD Notary Public [SEAL]
My Commission Expires:	* In and for the State of Ohio
	My Commission Expires April 22, 2012
STATE OF OHIO )	THE OF OHIOM
) SS:	The state of the s
COUNTY OF LUCAS )	
,	
ρ The foregoing inst	rument was acknowledged before me this 2 day of
October, 2011 by Erin	rument was acknowledged before me this 2 day of C. Ibele, the Senior Vice President - Administration and
Corporate Secretary of Health Ca	are REIT, Inc., a Delaware corporation, on behalf of the
corporation.	
	1 franklik
	Llonna y auregoria
	Donna J. Lunsford Notary Public
	RIAI COMP
My Commission Expires:	DONNA J. LUNSFORDAL]  Notary Public
<b>  100   3</b>   10   10   10   10   10   10   10   1	In and for the State of Ohio
	My Commission Expires April 22, 2012
SLK_T( 20111019001	9 OF OHIM
Skagit County Audito	Г

22 9:48AM 10/19/2011 Page 9 of

STATE OF OHIO	) ) SS
COUNTY OF LUCAS	)

The foregoing instrument was acknowledged before me this 2 day of Corporate Secretary of HCRI Nevada Properties, Inc., a Nevada corporation, on behalf of the corporation.

Notary Public

My Commission Expires:

[SEAL]

THIS INSTRUMENT PREPARED BY AFTER RECORDING RETURN TO:

Cynthia L. Rerucha, Esq. Shumaker, Loop & Kendrick, LLP 1000 Jackson Street Toledo, Ohio 43604



DONNA J. LUNSPORD Notary Public In and for the State of Ohio My Commission Expires April 22, 2012

10/19/2011 Page

10 of

22 9:48AM

# **EXHIBIT A: LEGAL DESCRIPTIONS**

CONSISTING OF EXHIBIT A-1 THROUGH EXHIBIT A-6



10/19/2011 Page

11 of

22 9:48AM

#### **EXHIBIT A-1: LEGAL DESCRIPTION**

Facility Name: Mt. Vernon Facility

# PARCEL A:

The North 306 feet of the South 511 feet of the East 237 feet of the West 267 feet of the Southwest 1/4 of the Northwest 1/4 of Section 15, Township 34 North, Range 4 East, W.M.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.

# PARCEL B:

Lot 1 of Survey recorded April 8, 1999, under Auditor's File No. 9904080041 in Volume 21 of Surveys, page 174, records of Skagit County, Washington; being a portion of the Southwest ¼ of the Northwest ¼ of Section 15, Township 34 North, Range 4 East, W.M.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.

201110190019 Skagit County Auditor

10/19/2011 Page

# **EXHIBIT A-2: LEGAL DESCRIPTION**

Facility Name: Bremerton Facility

Lot A of City of Bremerton Short Plat No. SP-09-96, as recorded under recording no. 9607020330, being a portion of the southeast quarter of the southwest quarter of Section 2, Township 24 North, Range 1 East, W.M., Records of Kitsap County Auditor.

Situate in the City of Bremerton, County of Kitsap, State of Washington.



10/19/2011 Page

#### EXHIBIT A-3: LEGAL DESCRIPTION

Facility Name: Hemet Facility

All that certain real property situated in the County of Riverside, State of California, described as follows:

Parcel 1 of that certain Notice of Lot Line Adjustment No. 3861, recorded July 23, 1996 as Instrument No. 275261 of Official Records, more particularly described as follows:

Being a portion of the South half of Lot 2 in Block 112 of the Lands of the Hemet Land Company, County of Riverside, State of California, as shown by map on file in Book 1, Page 14 of Maps, records of Riverside County, California, more particularly described as follows:

Beginning at the intersection Columbia Street and Florida Avenue, as shown on said Map;

Thence South 00 degrees 01 minutes 50 seconds West 349.86 feet along the centerline of Columbia Street:

Thence leaving said centerline North 89 degrees 56 minutes 15 seconds East 33.00 feet to the True Point of Beginning and the Easterly line of Columbia Street;

Thence continuing North 89 degrees 56 minutes 15 seconds East 440.08 feet;

Thence South 00 degrees 00 minutes 59 seconds West 256.01 feet;

Thence North 89 degrees 57 minutes 06 seconds East 20,00 feet;

Thence South 00 degrees 00 minutes 59 seconds West 54.00 feet;

Thence South 89 degrees 57 minutes 06 seconds West 295.16 feet;

Thence North 00 degrees 01 minutes 50 seconds East 247.94 feet;

Thence South 89 degrees 56 minutes 15 seconds West 165.00 feet to the Easterly line of Columbia Street;

Thence North 00 degrees 01 minutes 50 seconds East 62.00 feet and the True Point of Beginning.

201110190019 Skagit County Auditor

10/19/2011 Page 14 of 22 9:48AM

SLK\_TOL: #1888715v2

#### **EXHIBIT A-4: LEGAL DESCRIPTION**

Facility Name: Sparks Facility

All that certain real property situated in the County of Washoe, State of Nevada, described as follows:

#### Parcel 1:

Parcel B of the Parcel Map 4799, 13<sup>th</sup> Parcel Map for Spanish Springs Associates Limited Partnership recorded June 28, Official Records, Washoe County, Nevada, as Document No. 3548813.

Assessor Parcel No.: 532-031-12

#### Parcel 2:

A Non-exclusive easement for ingress and egress by vehicle, pedestrian or other means; construct, maintain and repair underground improvements for water, sewer, gas, electric, cable and other utilities, as set forth in that Reciprocal Driveway Access and Utility Easement recorded October 23, 2007 in Document No. 3587024 Official Records.

#### Parcel 3:

Rights in real property as set forth in Declaration of Covenants, Conditions and Restrictions for Spanish Springs Neighborhood Center dated October 22, 2007, and recorded October 22, 2007, as Instrument No. 3586756; said Declaration being supplemented by Common Area Use and Maintenance Easement (NC Landscaping) dated October 22, 2007, and recorded October 23, 2007, as Instrument No. 3587026; and further supplemented by Common Area Use and Maintenance Easement (Shared Driveway) dated October 22, 2007, and recorded October 23, 2007, as Instrument No. 3587025; and as further supplemented by Common Area Use and Maintenance Easement (NC Drainage Channels) dated October 22, 2007, and recorded October 23, 2007, as Instrument No. 3587023.

10/19/2011 Page

#### **EXHIBIT A-5: LEGAL DESCRIPTION**

Facility Name: Kent Facility

#### PARCEL A:

THAT PORTION OF SECTION 20, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 20:

THENCE ALONG THE NORTH LINE OF SECTION 20, NORTH 88°46'34" WEST, 319.18 FEET;

THENCE SOUTH 01°01'06" WEST, 37.50 FEET, TO THE SOUTH RIGHT-OF-WAY LINE OF SOUTHEAST 240<sup>TH</sup> STREET AND BEING TO TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND:

THENCE ALONG THE EAST LINE OF THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, SOUTH 01°01'06" WEST, 292.48 FEET, TO THE SOUTHEAST CORNER OF THE HEREIN-DESCRIBED PARCEL OF LAND;

THENCE ALONG THE SOUTH LINE OF THE HEREIN-DESCRIBED PARCEL OF LAND, THE FOLLOWING COURSES:

- 1) NORTH 88°46'17" WEST, 42.50 FEET;
- 2) NORTHWESTERLY 34.77 FEET, ALONG THE ARC OF A 50.00 FOOT RADIUS CURVE, CONCAVE NORTHERLY, THROUGH A CENTRAL ANGLE OF 39°50'37", TO A POINT OF REVERSE CURVATURE:
- 3) NORTHWESTERLY 34.90 FEET, ALONG THE ARC OF A 50.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY, THROUGH A CENTRAL ANGLE OF 39°59'33";
- 4) NORTH 88°55'13" WEST, 53.30 FEET, TO THE WEST LINE OF THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20;

THENCE ALONG SAID WEST LINE, NORTH 01°04'47" EAST, 269.39 FEET, TO THE NORTHWEST CORNER OF THE HEREIN DESCRIBED PARCEL OF LAND;

THENCE ALONG THE SOUTH RIGHT-OF-WAY LINE OF SOUTHEAST 240<sup>TH</sup> STREET, PARALLEL WITH AND 37.50 FEET SOUTH FROM THE CENTERLINE OF SOUTHEAST 240<sup>TH</sup> STREET, SOUTH 88°46'34" EAST, 159.63 FEET, TO THE TRUE POINT OF BEGINNING;

(ALSO KNOWN AS LOT A OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-99-7, RECORDED UNDER RECORDING NO. 9904070835, RECORDS OF KING COUNTY, WASHINGTON).

SITUATE IN THE CITY OF KENT, COUNTY OF KING, STATE OF WASHINGTON.

201110190019 Skagit County Auditor 10/19/2011 Page 16 of 22 9:48AM

SLK\_TOL: #1888715v2

#### PARCEL B:

THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 20:

THENCE SOUTH 00°54'36" WEST, ALONG THE EAST LINE OF SECTION 20, A DISTANCE OF 330.01 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER:

THENCE NORTH 88°45'18" WEST, ALONG THE SOUTH LINE OF SAID SUBDIVISION, 31.50 FEET TO THE WEST RIGHT-OF-WAY LINE OF 116<sup>TH</sup> AVENUE SOUTHEAST;

THENCE CONTINUING NORTH 88°45'18" WEST, ALONG SAID SOUTH LINE, 288.39 FEET TO THE SOUTHWEST CORNER OF SAID SUBDIVISION AND THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBE PARCEL OF LAND;

THENCE SOUTH 01°01'58" WEST, ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, 13.23 FEET;

THENCE SOUTH 86°33'09" EAST, 52.68 FEET TO THE BEGINNING OF A NON-TANGENT, 70.00 FOOT RADIUS, CIRCULAR CURVE TO THE RIGHT, FROM WHICH POINT THE CENTER BEARS SOUTH 07°44'47 WEST:

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 51°27'42" AN ARC DISTANCE OF 62.87 FEET;

THENCE SOUTH 27°52'36" EAST 97.30 FEET:

THENCE SOUTH 19°26'35" EAST 75.70 FEET TO THE BEGINNING OF A NONTANGENT, 95.00 FOOT RADIUS, CIRCULAR CURVE TO THE RIGHT, FROM WHICH POINT THE CENTER BEARS SOUTH 72°25'05" WEST:

THENCE SOUTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 27°13'47", AN ARC DISTANCE OF 45.15 FEET TO A POINT OF REVERSE CURVATURE AND THE BEGINNING OF A 220.00 FOOT RADIUS, CIRCULAR CURVE TO THE LEFT; THENCE SOUTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 11°36'59", AN ARC DISTANCE OF 44.60 FEET TO A POINT OF COMPOUND

CURVATURE AND THE BEGINNING OF A 5.00 FOOT RADIUS, CIRCULAR CURVE TO THE LEFT;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°48'10", AN ARC DISTANCE OF 7.92 FEET;

THENCE NORTH 87°13'43" EAST 83.81 FEET;

THENCE NORTH 61°40'38" EAST 23.96 FEET TO SAID WEST RIGHT-OF-WAY LINE OF 116<sup>TH</sup> AVENUE SOUTHEAST;

THENCE SOUTH 00°54'36" WEST, ALONG SAID WEST LINE, 26.49 FEET;

THENCE NORTH 88°45'09" WEST 86.28 FEET TO THE BEGINNING OF A TANGENT, 50.00 FOOT RADIUS, CIRCULAR CURVE TO THE LEFT;

THENCE SOUTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 62°13'15", AN ARC DISTANCE OF 54.30 FEET TO A POINT OF REVERSE

CURVATURE AND THE BEGINNING OF A 50.00 FOOT RADIUS, CIRCULAR CURVE TO THE RIGHT:

THENCE SOUTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 62°13°15" AND ARC DISTANCE OF 54.30 FEET;

THENCE NORTH 88°45'08" WEST 49.10 FEET TO THE BEGINNING OF A TANGENT 50.00 FOOT RADIUS, CIRCULAR CURVE TO THE RIGHT;

THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 65°40'06", AN ARC DISTANCE OF 57.31 FEET;

THENCE NORTH 88°45'02" WEST 179.84 FEET TO THE WEST LINE OF THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER;

THENCE NORTH 01°05'38" EAST, ALONG SAID WEST LINE, 353.06 FEET;

THENCE SOUTH 88°54'14" EAST 53.31 FEET TO THE BEGINNING OF A TANGENT, 50.00 FOOT RADIUS, CIRCULAR CURVE TO THE RIGHT:

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 39°59'33", AN ARC DISTANCE OF 34.90 FEET TO A POINT OF REVERSE CURVATURE AND THE BEGINNING OF A 50.00 FEET RADIUS, CIRCULAR ANGLE OF 39°50'37", AN ARC DISTANCE OF 34.77 FEET:

THENCE SOUTH 88°45'18" EAST 42.50 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPT THAT PORTION DEDICATED TO THE CITY OF KENT UNDER RECORDING NO. 9904143156, RECORDS OF SAID COUNTY;

(AKA "NEW LOT B" OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-2005-7, AS RECORDED UNDER RECORDING NO. 20050425001972), RECORDS OF KING COUNTY AUDITOR:

SITUATE IN THE CITY OF KENT, COUNTY OF KING, STATE OF WASHINGTON.

## PARCEL C:

THAT PORTION OF SECTION 20, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 20;

THENCE, ALONG THE EAST LINE OF SECTION 20, SOUTH 00°53'46" WEST 330.01 FEET;

THENCE, NORTH 88°46'17" WEST 30.00 FEET, TO THE WEST RIGHT-OF-WAY LINE OF 116<sup>TH</sup> AVENUE SOUTHEAST;

THENCE, ALONG SAID WEST RIGHT-OF-WAY LINE, SOUTH 00°53'45" WEST 306.01 FEET, TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND:

THENCE CONTINUING ALONG THE SAID WEST RIGHT-OF-WAY LINE, PARALLEL WITH AND 30.00 FEET WEST FROM THE CENTERLINE OF 116<sup>TH</sup> AVENUE SOUTHEAST, SOUTH 00°53'45" WEST, 222.00 FEET, TO THE SOUTHEAST CORNER OF THE HEREIN-DESCRIBED PARCEL OF LAND;

THENCE ALONG THE SOUTH LINE OF THE NORTH 198 FEET OF THE EAST 330 FEET OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 20, NORTH 00°53'45" EAST, 198.00 FEET TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 20;

THENCE ALONG THE NORTH LINE OF THE HEREIN-DESCRIBED PARCEL OF LAND, THE FOLLOWING COURSES:

- 1) SOUTH 88°46'00" EAST, 28.95 FEET;
- 2) SOUTHEASTERLY 57.30 FEET, ALONG THE ARC OF A 50.00-FOOT RADIUS CURVE, CONCAVE TO THE NORTHEAST AND HAVING A RADIAL BEARING OF NORTH 66°53'39" EAST. THROUGH A CENTRAL ANGLE OF 65°39'39":
- 3) SOUTH 88°46'00" EAST, 49.10 FEET;
- 4) NORTHEASTERLY 54.30 FEET, ALONG THE ARC OF A 50.00-FOOT RADIUS CURVE, CONCAVE TO THE NORTHWEST, THROUGH A CENTRAL ANGLE OF 62°13'15", TO A POINT OF REVERSE CURVATURE;
- 5) NORTHEASTERLY 54.30 FEET, ALONG THE ARC OF A 50.00-FOOT RADIUS CURVE, CONCAVE TO THE SOUTHEAST, THROUGH A CENTRAL ANGLE OF 62°13'15":
- 6) SOUTH 88°46'00" EAST, 87.78 FEET, TO THE TRUE POINT OF BEGINNING;

(ALSO KNOWN AS LOT C OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-99-7, RECORDED UNDER RECORDING NO. 9904070835, RECORDS OF KING COUNTY, WASHINGTON);

SITUATE IN THE CITY OF KENT, COUNTY OF KING, STATE OF WASHINGTON.

# ALSO KNOWN AS:

LOT A OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-99-7, RECORDED UNDER RECORDING NO. 9904070835, RECORDS OF KING COUNTY, WASHINGTON; AND "NEW LOT B" OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-2005-7, AS RECORDED UNDER RECORDING NO. 20050425001972, RECORDS OF KING COUNTY AUDITOR; AND LOT C OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-99-7, RECORDED UNDER RECORDING NO. 9904070835, RECORDS OF KING COUNTY, WASHINGTON:

SITUATE IN THE CITY OF KENT, COUNTY OF KING, STATE OF WASHINGTON, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT C OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-99-7; THENCE ALONG THE SOUTH LINE AND WEST LINE OF LOT C, NORTH 88°45'08" WEST 300.01 FEET AND NORTH 00°53'45" EAST 198.00 FEET TO THE SOUTH LINE OF REVISED LOT B OF CITY OF KENT LOT LINE ADJUSTMENT NO LL-2005-7; THENCE ALONG THE SOUTH AND WEST LINES OF SAID LOT B, NORTH 88°45'02" WEST 179.84 FEET AND NORTH 01°05'38" EAST 121.89 FEET TO THE EAST LINE OF 114<sup>TH</sup> PLACE; THENCE ALONG SAID EAST LINE, NORTHERLY ALONG A CURVE TO THE LEFT, FROM A POINT WITH A RADIAL BEARING OF

SOUTH 26°41'44" EAST, HAVING A RADIUS OF 51.50 FEET, THROUGH A CENTRAL ANGLE OF 90°08'41", AND ARC DISTANCE OF 81.03 FEET; NORTH 01°05'38" EAST 405.76 FEET AND ALONG A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 25,00 FEET, THROUGH A CENTRAL ANGLE OF 90°08'41", AND ARC DISTANCE OF 39.33 FEET TO THE NORTH LINE OF LOTA OF CITY OF KENT LOT LINE ADJUSTMENT NO. LL-99-7; THENCE ALONG THE NORTH LINE OF SAID LOT A, SOUTH 88°46'34" EAST 113.08 FEET: THENCE ALONG THE WEST LINE OF SAID LOT A AND THE WESTERLY LINES OF SAID LOTB, SOUTH 01°01'58" WEST 292.49 FEET: SOUTH 01°01'58" WEST 13.18 FEET: SOUTH 86°33'09" EAST 52.68 FEET; ALONG A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 70.00 FEET, THROUGH A CENTRAL ANGLE OF 51°27'42", AND ARC DISTANCE OF 62.87 FEET; SOUTH 37°52'36" EAST 97.30 FEET: THENCE SOUTH 19°26'35" EAST 75.70 FEET. ALONG A CURVE TO THE RIGHT, FROM A POINT WITH A RADIAL BEARING OF NORTH 72°25'05" EAST, HAVING A RADIUS OF 95.00 FEET, THROUGH A CENTRAL ANGLE OF 27°13'47", AND ARC DISTANCE OF 45.15 FEET; THENCE ALONG A REVERSE CURVE, HAVING A RADIUS OF 220.00 FEET, THROUGH A CENTRAL ANGLE OF 11°36'59", AND ARC DISTANCE OF 44.60 FEET; ALONG A COMPOUND CURVE HAVING A RADIUS OF 5.00 FEET, THROUGH A CENTRAL ANGLE OF 90°48'10", AN ARC DISTANCE OF 7.92 FEET; NORTH 87°13'43" EAST 83.81 FEET; NORTH 61°40'38" EAST 23.96 FEET TO THE WEST LINE OF 116<sup>TH</sup> AVENUE S.E.; THENCE ALONG SAID WEST LINE, SOUTH 00°54'36" WEST 246.49 FEET TO THE SAID POINT OF BEGINNING.



10/19/2011 Page 20 of 22 9:48AM

#### **EXHIBIT A-6: LEGAL DESCRIPTION**

Facility Name: Willows Bremerton Facility

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, SECTION 2, TOWNSHIP 24 NORTH, RANGE 1 EAST, W. M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 2:

THENCE NORTH 89° 17' 44" WEST ALONG THE SOUTH LINE OF SAID SOUTHWEST OUARTER 663.85 FEET:

THENCE NORTH 2° 05° 43" EAST ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 2, A DISTANCE OF 322.74 FEET TO THE WESTERLY EXTENSION OF THE SOUTHERLY LINE OF THAT TRACT OF LAND DESCRIBED IN DEED OF TRUST DATED JUNE 30, 1982, RECORDED UNDER AUDITOR'S FILE NO. 8207020031;

THENCE SOUTH 89° 19' 02" EAST ALONG THE SOUTHERLY LINE AND ITS WESTERLY AND EASTERLY EXTENSIONS OF THAT CERTAIN TRACT OF LAND AS DESCRIBED IN DEED OF TRUST DATED JUNE 30, 1982, RECORDED UNDER AUDITOR'S FILE NO. 8207020031, A DISTANCE OF 664.13 FEET TO THE EAST LINE OF SAID SOUTHWEST QUARTER OF SAID SECTION 2;

THENCE SOUTH 2° 08' 36" WEST ALONG SAID EAST LINE 323.00 FEET TO THE POINT OF BEGINNING;

EXCEPT PINE ROAD ON THE EAST, AS CONVEYED BY INSTRUMENT RECORDED UNDER AUDITOR'S FILE NO. 862835:

AND EXCEPT RICKEY ROAD ON THE WEST, AS CONVEYED BY INSTRUMENT RECORDED UNDER AUDITOR'S FILE NO. 984389;

SITUATE IN THE CITY OF BREMERTON, COUNTY OF KITSAP, STATE OF WASHINGTON

APN: 022401-3-008-2001



10/19/2011 Page 21 of 22 9:48AM

#### EXHIBIT B: RECORDING INFORMATION

Second Amended and Restated Leasehold Deed of Trust in favor of HCRI TRS Acquirer, LLC, as Beneficiary, and Lawyers Title Company, Western Title Company, Inc. and Fidelity National Title Insurance Company, as Trustee, by Stanley & Shorten, LLC, dated as of December 15, 2010.

- A. Skagit County, Washington Recorded with the Skagit County, Washington Recorder on December 21, 2010 as Instrument No. 201012210048.
- B. <u>Kitsap County, Washington</u> Recorded with the Kitsap County, Washington Recorder on December 16, 2010 as Instrument No. 201012160224.
- C. <u>Riverside County, California</u> Recorded with the Riverside County, California Recorder on December 20, 2010 as Instrument No. 2010-0609732.
- D. <u>Washoe County, Nevada</u> Recorded with the Washoe County, Nevada Recorder on December 28, 2010 as Instrument No. 3957972.
- E. <u>King County, Washington</u>—Recorded with the King County, Washington Recorder on December 17, 2010 as Instrument No. 20101217001592.

2 0 1 1 1 0 1 9 0 0 1 9 Skagit County Auditor

10/19/2011 Page 22 of 22 9:48AM